Sun Yefang: Discussion on productive and non-productive labor, national income and gross national product

Author: Sun Yefang Source: Economic Research, No. 8, 1981 Published: 2020-11-24 11:39:25

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The question of productive and non-productive labour was discussed in the 1960s. But what began to interest me in the discussion of this issue was 2Comrade Xiao Xiangji's article "Education should be regarded as a production department" published in the People's Daily on February 2, 1980. On May 19 of the same year, the "Wen Report" published Comrade Sun Kaifei's "Education is actually also a kind of production". The 12th issue of "Economic Research" published the "On Production and Non-Production Labor under Socialism" by Zhang Shentao and Xia Xingyuan, Hubei University of Finance and Economics. These articles all agree that the labour of scientific research, education, literature and art, the medical and health sectors, and all service industries is the same as that of the material production sectors of steel, iron, grain, cotton, hemp, yarn, cloth, etc., as is productive labor.

Then, in January of this year, the first issue of China's Economic Issues of Xiamen University published "Production and Non-Production Labor under the Socialist System" by Comrade Guangyuan. The fourth issue of the Economic Research in 1981 published Comrade Chen Zhibiao's "Re-examination of the scope of national income" and Comrade He Xiaofeng's "Initiative Investigation of the Value of Services". In addition to adhering to the above view, these articles also criticize the current statistical indicators of production and labor in production and non-production labor, which is ""contradictive of Marxist discourse", and at least misunderstanding of Marxism, in addition to adhering to the above view, that the labor of science, education, literature, health and all service industries are labor-producing labor. They believe that the division of productive and non-productive labour under the socialist system should not be marked by the production of material means, but by the satisfaction of the growing material and cultural needs of society. All the labor that can meet the needs of social consumption (such as haircuts, massage medicine and other activities, labor engaged in scientific research and teaching and literary and artistic creation), is labor, creates value, and should calculate the output value. They called for a statistical breakthrough to replace China's “"national income" indicator with the Western world's "gross national product" indicator.” I haven’t heard much of it, and for a year and a half of it has been discussed, and there may have been other authors’ articles. But as far as I see the above-mentioned articles, the opinion is one-sided, that is,

the labor in the superstructure sector is also productive labor and creates value, so that the indicator of "national income" that we use is not as good as the ""gross national product" of the West.

I do not agree with the views of the authors listed above. I believe that there are many indicators reflecting the wealth of society, but the most basic indicator is the indicator of the amount of material wealth.Now China's use of "national income" this plan statistical indicators is one such indicator. It is a net output value indicator that excludes all material consumption, including depreciation, without any double-counting. The ""GNP" indicator applied by the Western world is a distortion, including many false indicators of double counting, including the depreciation of fixed assets, that is, a part of the old (Western countries also have the index of "national income"). However, their ""national income" also includes labor income", which is different from "GNP" in that the former does not include depreciation, while the latter includes depreciation.)

The work of the workers of science, education, literature and art, and health care is the labor of spiritual production, not material production."The national income used by our country" reflects material wealth, not spiritual wealth. ""Spiritual production" labor does not directly create material wealth, but is also a consumer of material wealth. Economics is the subject of material production "rather than "spiritual production." In fact, when we talk about production, we always mean material production, "spiritual production" and ""spiritual wealth" are originally borrowed from the term economics. Therefore, what we are talking about in this article is the production of labour and the non-productive labour of material production and of non-material production.

The above-mentioned authors insist on treating the labor of science, education, literature, art, medical and health personnel, and workers in the service industry as productive labor, and one of the purposes is nothing more than to attach importance to science, education, literature, health care and all service industries. In the article "Does not create value for service personnel?" published in the "Wenhua Report" published on May 5 this year, in order to emphasize this point, we also remind us in particular: "In recent decades, the development of the tertiary industry in developed countries is very rapid, the proportion of the gross national product and the composition of the employment population, the first and secondary industries have gradually declined from the peak, and the tertiary industry has gradually risen, and by the late 1970s, it has exceeded the sum of the first and second industries. According to statistics from some countries: the proportion of the tertiary industry in the gross national product in 1977, the United States is 63:9, the Netherlands is 6:6, the United Kingdom is 6:68, Japan is 58 points, France is 57:2, West Germany is slightly below 50. In the composition of the employed population, the United States

employed at 68:4 in 1975, and Japan at 50. It is worth noting that the upward trend of the tertiary industry continues. ”I quoted the whole article of Comrade Luo and Shi on the so-called upward trend of the tertiary industry, saying that I fully agree with the opinions of the two of them (that is, the proportion of science, education, literature, health care and service industries will continue to rise with the economic development). Although I take a negative attitude to the term bourgeois economy of the tertiary industry (in this regard, I will say below), at the same time, because of the origin of Comrade Luo and Shi II's reference to the above figures (the United Nations Statistical Yearbook).?There is no explanation for the calculation method, and I have no doubt about the accuracy of these figures (e.g., the proportion of West Germany is so much lower than that of the two countries in Japan), but I believe that the general trend is indeed that the proportion of the above-mentioned non-material production sectors will increase with the development of the economy. We should pay attention to it. “The contempt, education, literature, and defense left over from the "Gang of Four", especially the contempt for the business service industry, should be criticized.

But what is worth pondering is this: why in these developed countries, only a little more than 30-40% of the labor force is engaged in material production, and nearly 60-70% of the labor force, or at least 50% of the labor force, can engage in all kinds of "spiritual production" and service labor? In our country, about 90% of the labor force is engaged in material production", and less than 10% of the labor force can be engaged in "spiritual production" and service industries! Why is the difference so great? The answer is clear: in developed countries, because the labor productivity in the material production sector is very high, as long as there is a little more than 30-40% of the labor force engaged in the production of material resources, it can solve the needs of the entire population to eat10%10%“, wear, live, and travel; in our large country of one billion people, the labor productivity of the material production sector is very low, and the problem of eating and wearing raw materials must be solved by about 80% of the labor force (about 800 million farmers). This is not a question of our subjective emphasis on not attaching importance to education, science, literature, art, health care, health care and service industries“”, but the question of how many people we can feed the material means of life to engage in "spiritual production"! Because of this, we must pay attention to the statistics and plans of material wealth, to ensure the ““purity of this indicator that reflects the value of material wealth (that is, the "national income" or "net output value" indicators we use), and not to mix in the non-material production.

Engels said: "Just as Darwin discovered the law of development of the organic world, Marx discovered the law of the development of human history, that is, a simple fact that has always been concealed by the luxuriant ideology: one must first eat, drink, live, wear, and then engage in politics, science, art, religion, etc.; therefore, the production of the direct material means of

subsistence', and therefore the basis of a certain stage of economic development of a nation or an epoch, must be based on the basis of which the state system, the view of the law, art, and even the religious ideas of the people must be developed from this. " [1]

Please forgive me for drawing a large copy of the well-known Marxist historical materialism of A, B, and C. here. For in our present discussion of productive and non-productive labour, on national income and gross national product, the above-mentioned comrades do not agree with us that we separate labour in the production of the means of subsistence, such as eating, drinking, living, and wearing, from that of politics, science, art, religion, etc. We cannot fail to point out that the above-mentioned comrades are confusing the boundaries of material and spiritual, economic bases and superstructures, and the most basic lines of historical materialism. I would also like to add here that, in the words of these comrades, the labour of those engaged in political, scientific, artistic, religious, etc., as is the labourer engaged in the branches of agricultural, mining, steelmaking, textile and other branches of material production, it is not necessary to divide the concept of productive labour and non-productive labour, except for the sick number, the infants and the unemployed young.

Comrade Xiao Xiangji also said that the education sector is not only the material production sector, but also the material production department with the first and second categories. His words were as follows:

“The product of the education sector has no independent expression and is a spiritual product, but it directly meets the cultural needs of the members of society, meets the needs of developing the ability to work, and is a kind of development information. From this point of view, it is also a final product, similar to the second category. “

“The education sector is mainly developing a skilled workforce. The labour force itself is also a natural material element. The education sector has similar characteristics to the first class in terms of the cultivation of the labour force, i.e., from the production of living machines. This means: (a) its product is the material element of the production process; (ii) the amount of labour expended in the production of this product, through the new production process, is now in the new product. [2]

As I said earlier, if Comrade Xiao Shuji were to count the education sector as a spiritual production department, I could still agree. It must be repeated, however, that this is to borrow the

term in the economic sphere, i.e., in the field of material production. However, Comrade Xiao Xiangji is not satisfied with this point, he also wants to describe education as the material production department of the "living machine", and the first category of production, then the problem is more. Because the education department is only a processing workshop for this "living machine", the place where this "living machine" is born is not a school, but an obstetric hospital. According to this, the maternity hospital is the material production department! Therefore, it is said that science, education, literature, health care, and all service industries are economists in the production sector, and the so-called broad-based workers of production and labor should say: originally, the doctor's labor is originally the labor of production, so the maternity hospital should be counted as the production department! But the problem arises again: if the maternity hospital is to be described as the material production department“, and the work of the midwife doctor is to be described as the production labor, then for the production of this "living machine", the obstetric hospital is at most just a factory-like assembly workshop; and the real “"manufacturing workshop" is not here, can we ”“also count the activity of "manufacturing" this "living machine" as “"production ”labor"? If so, then we will call the wedding ceremony of the newlyweds the start of the "living machine" factory! I hope that Comrade Xiao Shuji and other comrades will not blame me for speaking harshly. I am merely trying to prove that, in discussing the limits of production and non-productive labour, what an unreasonable conclusion can be logically drawn if we confuse the limits of material and mental production, and if we confuse the boundaries of the subject (man) and object (object) of production activity.

Economists who view the education sector (as well as the scientific, literary, medical, and health sectors) as material production sectors make this irrational conclusion perhaps by misinterpreting the correct Marxist proposition that “science is the productive force.” They may think that, since science is productive, the scientific and educational sectors that produce science and that the scientific departments that produce it—that is, the productive ——sectors—certainly should be counted as the branches of material production. This is a huge misunderstanding, which simplifies the problem.

Scientific knowledge is the spiritual wealth of man, and it must go through a tortuous process to transform it into material wealth.Science is the productive force, but it is not the only factor of the productive forces; it is expressed through the production process, through the three simple elements of the productive forces, that is, through the three elements of the person engaged in production (labour-power), the instruments of labor, the objects of labor (i.e., raw materials). And, as Marx put it, if the above three elements are not combined, it is only a potential productive force, and only when the three elements are combined, that is, when the producers of advanced scientific knowledge, manipulate the advanced instruments of labor produced according to advanced scientific principles, and begin to process new types of labor produced

according to advanced scientific principles, science fully shows its power and becomes a new material productive force multiplied.

There is a story that is helpful to illustrate the issue we are discussing: the first two years of China's aircraft manufacturing •industry had a delegation to visit the British Ross Royce aircraft manufacturing plant. In addition to the Chinese delegates' great appreciation for the steamer's motivation for the plant, British engineers said that their engine was “”based on the theory of "three yuan" of the impeller mechanical gas dynamics of Professor Wu Zhonghua of China. The British words can not help but make the Chinese feel that the Chinese gas dynamics theory did not promote the birth of China's new aircraft engine, but also led to the British steam engine, and the Chinese engineers had to learn the theory of Chinese professors through the achievements of the British.

This story shows that the scientific principles discovered by Professor Wu Zhonghua have contributed greatly to the manufacture of British engines and to the development of the aircraft industry. The principles discovered by Professor Wu Zhonghua have been more widely used in the American aircraft manufacturing industry. But his invention was not applied in his native country to the production process of the aircraft manufacturing industry, nor was it combined with any of the three elements of the productive forces of this industry. Therefore, it did not form the productive forces of his motherland, nor did it become the material wealth of his motherland. However, the scientific principles discovered by Professor Wu Zhonghua formed the productivity of the British and American aircraft manufacturing industries, increasing the material wealth of the United Kingdom and the United States. For the English and the Americans apply this scientific principle to their production, and combine it with the three elements of their productive forces. Professor Wu Zhonghua's scientific principles only enriched the “"spiritual wealth" of the science of his motherland for the time being (please pay attention to the quotation marks of these four words). Because the word “wealth” is also an escape word for material wealth in political economy.

This story tells us that the boundaries of material production and “spiritual production” cannot be confused. If this line is confused, it will lead to a very wrong conclusion. Moreover, the economists who advocate the branches of science, education, literature, and health as branches of production confuse the line between material production and spiritual production, but in their discussion of this question they also confuse the boundaries of distribution and redistribution, and thus the boundary between production and consumption.

In the capitalist world, scientific research institutions, schools, theaters, hospitals, and all service industries are enterpriseized, like material production enterprises, spending the wages of their employees from their own income. And like all enterprises, they pay taxes to the state, so it is easier to create such confusion, as if these enterprises also create value. But in our society, scientific research units, schools, theaters, hospitals, although they also charge a part of the cost, but the funds of these organs, like state organs, are mainly financed from financial allocations. Where does the Treasury's money come from? This money represents the material wealth paid by the material production department in the form of RMB; it is the product produced by the employees of the material production department for society. This is what economics calls the first distribution (C+V+M). The financial department also distributes the material wealth paid by the material production departments (produced by the employees of these departments for society) to the employees of the scientific, educational, cultural and health care institutions (including the military) through the form of RMB. At the same time, the employees of the material production department also use their own wages in exchange for various services. These are all things that economics calls redistribution. As for the workers in the non-productive sectors who also offer a part of their wages in exchange for services, it is the third redistribution.

Some economists say that part of the revenue of the Ministry of Finance comes from the service industry, such as taxes and profits paid by theaters, cinemas, haircuts, bathrooms, etc. This part of our fiscal revenue accounts for a very small proportion. But in the advanced capitalist countries, as we have said before, "the so-called "tripartite industry" accounts for more than 50-60% of the income and population, and the proportion of taxes paid by these sectors is very large. But the taxes and profits paid by the service industry, no matter how complex and numerous channels are paid, are ultimately the redistribution of material wealth. The sources of redistributive wealth are derived from (V+M) the initial distribution of the material production sector.

Some economists may say that the non-material production sector trades its own services for the material means of subsistence in the material production sector, and from the point of view of exchanging labor with each other, it is an equal exchange. In terms of material wealth, this is redistribution, and this is the first distribution in terms of labor. We have already explained this issue. That is why the so-called ""tripartite industry" in the developed Western world accounts for more than 50-60% of labor and income; in our country, the service industry accounts for less than 10%. This is due to the level of labour productivity in the material production sector. Not only are the materials of the workers of the material production department, not only the material organs, the science, the education, the literature, the defense, and all the workers of the service industry are produced by the workers of the material production department; but the non-productive sector personnel, such as scientific research instruments, educational utensils, theater

props, etc., are not produced in the material production department; especially those in any era and in any society, the palaces, government organs, ,schools, theaters, hospitals, etc. In the final analysis, the line between the confusion between the basis of material production and the superstructure that stands on this basis also confuses the movement of the distribution and redistribution of material wealth.

Political economy is the study of the relationship between people in the process of material wealth.To leave the process of material wealth to study economic problems is bound to go astray. People ,are often fooled by the veil of the monetary movement when they study economic issues, which is at work, even in socialist societies; although our RMB is no longer the “currency” of its original meaning. For example, the wages paid to employees in any material production department are RMBs received from a branch of the People's Bank of China. Employees took these RMBs to buy various means of living that they eat, drink, wear, live, and travel, and also use these RMBs to buy various labor services. Wages paid to the scientific, educational, cultural, socialist and party and government organs, as well as all service industries, are also received from a branch of the People's Bank of China. These employees can also use this RMB to buy all kinds of living materials they need, and exchange each other for different services. From the perspective of the movement of the RMB, there is no difference between the two. But from the point of view of the material movement line, the situation is different. The wages received by the employees of the material production sector are the part of the product they produce to satisfy the means of subsistence they consume, which we usually still represent as "Vs". They just changed the color variety in circulation through the RMB tool. However, the wages paid by employees in the non-productive sector are those of social production, which we usually represent as "M". The former is the initial distribution of national income, or may be called the original distribution. The latter is redistribution.。

When we study any complex socio-economic phenomenon, it is easier to ,grasp the essence of things by analyzing the movement line of material wealth through the surface, the movement line of the RMB. Keeping this in mind is very helpful for studying economics.

Therefore, the broad-based workers of production and labor advocate the wages of workers in the non-material production sectors such as science, education, literature, and health as national income, and add it to the gross national product, which confuses the line between the initial distribution and redistribution of national income, and doubles the income belonging to "M" and "V", and the more the number of redistributions with the development of the service industry, the more the number of repeated calculations, the greater the falseness of the gross national product.

One of the reasons why the broad-based workers of production, such as science, education, literature, health, etc., add the wages of workers in the non-material production sectors to the gross national product, one of the reasons is that scientists, educators, writers, artists and doctors contribute so much that not counting their economic income into the gross national product is tantamount to negating their contribution. Can we represent their contribution to science and human society by the economic income of Copernicus, Newton, Darwin, and others? It seems that among the famous scientists, no one, except Edison, has made a fortune. Edison was rich precisely because he discovered the scientific principle of electricity, but because he applied it to the production of electrical appliances such as light bulbs, that is, because he was involved in material production. Marx's contribution to human society is unnecessary. But his royalties are not even for his family, but on the help of Engels and other friends. Have we added Marx's royalties to the national income of nineteenth-century Germany or England, even if we fully evaluate Marx's contribution? Even the work of scientists and artists is fully remunerated. But their reward, the economic income, is the price of their labour-power in capitalist society, in the category of value, and their contribution belongs to the category of use-value. The broad-basedists who produce labor want to use their economic income to express their contributions, which confuses value and use value, and confuses the line between cost and utility. This has slipped from the Marxist theory of labor value to the theory of utility. Using the economic income of scientists to evaluate scientists' contributions does not raise the evaluation of scientists, but also devalues their evaluation.

Studying political economy, not the concept is not good, the concept is not clear, will go astray.It follows how wrong it was for some economists in the past to oppose the concept because they were opposed to the idea!

In short, the theory of the broad-based theory of the productive labourists cannot be established. For first, it confuses material and spirituality, the economic base and the superstructure, secondly, the initial distribution and redistribution, the production and consumption; thirdly, it confuses the subject (labourer) and the object (product) in the process of production; fourth, it confuses the value of value and the use value, the cost and utility, the value of labor-power and the value created by labor. The economic indicator based on these four confusing views, the gross national product, is a double-counted indicator with a lot of falsity. For this indicator includes not only the depreciation of fixed assets, but also the addition of a part of the material wealth created by the material production sphere, that is, the part of the material wealth distributed to the non-material production line, to the employees of the non-material production, for their consumption, and the addition of the newly created material wealth (net output value), that is, the amount of consumption of a part of the society is added as the newly created material wealth into the net production of society.

From our above analysis, the indicator of the gross national product used by Western society to represent the wealth of society and the concept of the “third industry” that is now quite commonly used in the press is the concept of bourgeois economics. If we think that “the indicator of "national product" (”that is, “"net output"), which we have used since the first five-year plan period”, is an intellectual liberation, then it is a “return from the "liberation" of Marx's theory of labor value to the value theory of bourgeois vulgar economics. For when Marx founded his theory of the value of labour, the first thing to prove was that the value of the product (commodity) was created by the employees who participated in the material production, and that the capitalist was only the exploiter of part of the value created by the productive workers. The capitalist, on the other hand, says that value is not only created by the workers who directly participate in production; they, the capitalists, as well as the politicians, lawyers, the police, etc. who serve them, participate in the process of value creation.

The liberalists of productive labour may say that the capitalists are exploiters, that the personnel in the superstructure of capitalist society, such as lawyers, policemen, priests, etc., serve the maintenance of the capitalist system of exploitation, and that our superstructure workers are an indispensable part of socialist society or socialist mode of production. But the superstructure of capitalist society and its staff are also necessary for the capitalist mode of production. Let us not forget that capitalist society has played a progressive role in overthrowing feudal society and developing the productive forces.

In this discussion of productive labor and non-productive labor, the broad-basedists of productive labor, in order to count the workers of the scientific, educational, cultural, health and service industries as productive workers, add “some unwarranted crimes to our "national income", and create one “"theoretical injustice".” For example, Comrade Xiao Shuji put the "educational sector does not act in accordance with economic laws", “"cannot implement the principle of material interests", “"the use of complex labor does not have to pay." ……Many units want to be broad and narrow, more beneficial, ”“"underpaid educators", etc., are counted as "not looking at education as a defect in the production sector". This is a crime that is not a matter of words. Comrade Xiao Shuji: Isn't this kind of evil that you mentioned as a common defect in industrial and agricultural material production? It can be seen that this and the education sector is not related to the production sector at all.

For example, Comrade Yu Guangyuan also blamed the reduction of commercial outlets in the "Cultural Revolution" on the fact that the statistical indicator "national income" did not count commercial labor as productive labor. This is a “"theoretical injustice". For our statistical

indicators have always counted the commercial sector as the material production sector, and we have considered the labor of the commercial worker to be the continuation and value of the productive labour in the field of circulation. The reduction of commercial outlets has nothing to do with the division of productive and non-productive labour in the Department of Planning Statistics. Because according to the statistical indicators of the plan, commercial labor is included in the scope of production labor, but the commercial outlets have been greatly reduced in the "cultural revolution".

The reduction of commercial outlets is related to the natural economic ideas of heavy agricultural merchants in the feudal agricultural society. This natural economic idea of negation still exists in the process of exchange or circulation in the planned economy of the Fa-congregationalist system. For this kind of non-circulation theory, I have analyzed and criticized in detail in the first and second drafts of the "Introduction on Circulation", and it is not repeated hereI mention, by the way, this natural economy and the non-circulation of the view of the social division of labour and the service industry. During the "Cultural Revolution" period, "Serving the People" is one of the "three old articles" that everyone should read every day. But the result of the decade's cry ""serving the people" is that the service is getting worse and worse. The reason is because of the denial of the social division of labor, that accepting the service of others is to be an official as a master; and serving others is regarded as inferior; everyone has two legs and one hand, why should others come to serve you! So every employee had to go to the long line before or after work, buy this, take that, take a lot of time. After the Third Plenum, the idea of self-sufficiency in the natural economy was criticized, but the idea of contempt for the business service industry was not completely eliminated. For example, to be a salesman should not only understand commodity science, know the common sense of production, but also know the economics of circulation, but also polite hospitality and study customer psychology. Therefore, standing at the counter for eight hours, whether it is in terms of the complexity of labor or physical exertion, it is at least not as labor-saving as light industrial production. Therefore, I think that the high demand for commercial employees is correct, but the wages of commercial employees are lower than the wages of all light industrial production personnel. Many young people now prefer to be workers rather than be salesmen, which has to do with the idea of light business in society and to the low wages of commercial employees; but it has nothing to do with the principle of dividing productive and non-productive labour in the statistical departments of planning. Socialist political economy and socio-economic statistics agree that commerce is the continuation of the process of production of material wealth in the field of circulation; the labor of the commercial workers is the labor of production.

The above we “have rehabilitated the two "theoretical injustices" “and put the concept of "gross national product" on the concept of bourgeois economics; below, we also want to give the concept of the "third industry" a hat of “"bourgeois economic concept".

“The term "third industry" or "third industry" only began to appear in the writings of Western bourgeois economists in the 1930s. In our country, in the press, in radio and television, it has only appeared so frequently in the past two years. But I put the “third industry” on the “concept of bourgeois economics” because it originated in the West. Socialist political economy is by no means self-defeating. We should absorb everything that is reasonable and useful in Western bourgeois economics. The term “third industry” is a concept of bourgeois economics, because it “permeates the bourgeois essence, like (or even more blatantly) as the concept of “gross national product”. For the concept of “gross national product” merely confuses the difference between redistributive income in the non-productive sector and the primary distribution of income in the productive sector. However, the concept of "third industry" directly confuses the non-productive sectors of science, education, literature, health services and defense, police, justice, and other non-productive sectors, industrial, agricultural, transportation and other material production sectors, and is collectively referred to as independent industry (industry, i.e. industry) sector. This mixture hides an attempt to dress up the dictatorial sector of the bourgeois state apparatus as an indisputable, amiable, promiscuous, civilian-serviced sector, mixed with the non-productive sectors of science, education, literature, health, and other forms of production, and of agriculture, industry, transport, transport, and so on.

In addition, even in the West, the concept of the tertiary industry in the writings of different economists, the scope is also very inconsistent, some economists put the power generation, tap water, gas, railway, transport and other material production departments, but also with science and education, literature, health and other non-production departments and bathhouse, hairdressing and other narrow service industries mixed together, generally called the tertiary industry, its content is really no different, not good, inexplicably.

Therefore, I hope that in the future the press, radio and television will no longer use the concepts of the first, second and third industries. In Marx's classification, that is, the first category of the means of production (basically, the heavy industry) and the second category of the means of production and consumption (basically, the light, textile industry and agriculture) and commerce, the service industry, etc. As for the departments of science, education, literature and health, it is the science, education, literature and health departments, and should not be mixed with the business service industry as an economic sector.

In the division of productive and non-productive labour, there are more disputes, and the question of the service industry can continue to be discussed. This refers to the life service industry, as for the production service industry, such as transportation, material supply, plant and equipment repair and other industries, the labor is not a problem. But the situation is complex even in terms of labour in the life-service industry; neither can it be produced labour in one estimate, nor can it be produced in one estimate. For example, the labor of the daily consumer goods repair industry, prolonging or restoring the use of material wealth, the catering industry is the continuous processing of food, both of which are productive labor. The same is true of the statistical department. But industries such as haircuts, bathhouses, cinemas, hotels, etc. are consumer industries of material wealth. The services provided by the staff of these industries only help the customer to consume material wealth (such as hotel houses, furniture, etc.), and do not increase material wealth. Some socialist countries count the labor of tourism as material production labor. I think it is okay to count foreigners coming to China for productive labor. Because this is not only the country that earns foreign exchange, but in fact it is equivalent to exporting part of our consumer goods and is a disguised form of foreign trade. But our domestic tourism industry is purely consumer. This, like the calculation of railway passenger transport, can continue to be discussed (in our statistical indicators, the passenger transportation of the production personnel belongs to the production labor, the passenger transportation of non-producers belongs to the non-production labor, to the life service labor).

Finally, I would like to make some comments on the practical aspects of the work of the plan. I think that the broad-based workers of production and labor should include the whole service sector in the production sector, in addition to the good will of society to these sectors, and there is another motive, that is, we are now developing the economy with the goal of reaching a thousand dollars per capita GDP per capita in 2000. However, our national income is incomparable to the gross national product of the West. How do we make these two incomparable indicators? There should be two comparisons.

The first is to convert our national income into the gross national product of the West.But using this method to compare will make our actual economic development level seem low. For, as we have already said, about 30-40% of the GDP of the West (the so-called major part of the tertiary industry) is a false part of the double-calculation, and we are less than 10%. Therefore, in order to compare the actual level of production of material wealth, a second approach can be taken: the gross national product of the West is converted to a net output value, that is, to compare it with the caliber of our national income.

When compared according to the first method, the gap between our level and the level of the West will be greater; when compared with the second caliber, the gap between us and the West will be smaller. The second caliber is closer to the actual situation, because the second caliber “excludes the repeated false part of the indicator "GNP".

From our discussion of productive and non-productive labour, national income and gross national product, can we conclude that socio-economic statistics are a marginal science between mathematical statistics and political economy?

In the past, many comrades used to use higher mathematics for social and economic statistics, which seemed to be very insufficient, and believed that statistical work as long as it knew how to add and subtract the arithmetic of subtraction is enough to gradually become known to more people, and social and economic statistics must apply higher mathematics in many aspects. For example, when we study the comprehensive balance of the national economy,, calculate the input and output, calculate the chain reflection of the inter-departmental chain, or the chain reflection of price fluctuations, we must apply operations research and linear programming; when we engage in sampling, we must also apply the principles of probability theory, and so on. We must make as many middle-aged and young statisticians as possible to complete the task of higher mathematics.

But socio-economic statistics is another economics, and political economy. This can be seen from this discussion: the central question of what indicators of the discussion better reflect the level of social and economic development, which is the indicator of “national income” that we plan to use in our statistical work, or the indicator of “gross national product”. But almost none of the questions involved are the fundamental theoretical questions of political economy, such as what is productive labour? What is Non-Productive Work? What is primary distribution and what is redistribution? Can depreciation be counted as new value? Why is it confusing consumer funds derived from fiscal expenditures into newly produced national income? Utility or contribution and economic value are not the same thing, and so on.

Socio-economic statistics are qualitative and quantitative; quantitative calculations are carried out under the guidance of qualitative. If the characterization is mistaken, for example, as a statistic of material productive labour, redistribution of income as a primary distribution of income, and consumption expenditure as a statistic of income of production, then this statistic, even if it is accurately, is useless and harmful. Foreign research on economic measurement models is now popular. But even in the Western bourgeois economics world, the economic

models developed by different economic schools are different. The Keynesian economic model, for example, is different from the Friedmannian economic model. This proves that quantitative is always carried out under the guidance of qualitative guidance. Socioeconomic statistics, therefore, are a marginal science between mathematical statistics and political economy; it is a discipline of the social sciences, not of natural science. Marxist economics and Western bourgeois economists have different positions and views, and socialist planned economies are different from the capitalist market economy; therefore, when we learn from the Western economic model, we cannot rigidly.

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Responsibilities Editor: Red Star